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DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD-2019-0011]

Deepwater Port License Application: SPOT Terminal Services LLC (SPOT)

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice of intent; Notice of public meeting; Request for comments.

SUMMARY: The U.S. Coast Guard (USCG), in coordination with the Maritime Administration (MARAD), will prepare an environmental impact statement (EIS) as part of the environmental review of the SPOT Terminal Services LLC (SPOT) deepwater port license application. The application proposes the ownership, construction, operation and eventual decommissioning of an offshore oil export deepwater port that would be located in Federal waters approximately 27.2 to 30.8 nautical miles off the coast of Brazoria County, Texas in a water depth of approximately 115 feet. The deepwater port would allow for the loading of Very Large Crude Carriers (VLCCs) and other sized crude oil cargo carriers via a single point mooring buoy system.

This Notice of Intent (NOI) requests public participation in the scoping process, provides information on how to participate, and announces an informational open house and public meeting in Lake Jackson, Texas. Pursuant to the criteria provided in the Deepwater Port Act of 1974, as amended, Texas is the designated Adjacent Coastal State for this application.

DATES: There will be one public scoping meeting held in connection with the SPOT

deepwater port application. The meeting will be held in Lake Jackson, Texas, on March 20, 2019, from 6:00 p.m. to 8:00 p.m. The public meeting will be preceded by an informational open house from 4:00 p.m. to 5:30 p.m.

The public meeting may end later than the stated time, depending on the number of persons wishing to speak. Additionally, materials submitted in response to this request for comments on the SPOT deepwater port license application must reach the Federal Docket Management Facility as detailed below by Friday, April 5, 2019.

ADDRESSES: The open house and public meeting in Lake Jackson, Texas will be held at the Courtyard Lake Jackson, 159 State Highway 288, Lake Jackson, Texas, 77566, phone: (979) 297-7300, web address: <https://www.marriott.com/hotels/travel/ljncy-courtyard-lake-jackson/>. Free parking is available at the venue.

The public docket for the SPOT deepwater port license application is maintained by the U.S. Department of Transportation, Docket Management Facility, West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590. The license application is available for viewing at the Regulations.gov website: <http://www.regulations.gov> under docket number MARAD-2019-0011.

We encourage you to submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. If you submit your comments electronically, it is not necessary to also submit a hard copy. If you cannot submit material using <http://www.regulations.gov>, please contact either Mr. Efrain Lopez, USCG, or Ms. Yvette M. Fields, MARAD, as listed in the following “FOR FURTHER INFORMATION CONTACT” section of this document, which also provides alternate instructions for submitting written comments. Additionally, if you go to the online

docket and sign up for email alerts, you will be notified when comments are posted.

Anonymous comments will be accepted. All comments received will be posted without change to <http://www.regulations.gov> and will include any personal information you have provided. The Federal Docket Management Facility's telephone number is 202-366-9317 or 202-366-9826, the fax number is 202-493-2251.

FOR FURTHER INFORMATION CONTACT: Mr. Efrain Lopez, USCG, telephone: 202-372-1437, email: *Efrain.Lopez1@uscg.mil*, or Ms. Yvette M. Fields, MARAD, telephone: 202-366-0926, email: *Yvette.Fields@dot.gov*. For questions regarding viewing the Docket, call Docket Operations, telephone: 202-366-9317 or 202-366-9826.

SUPPLEMENTARY INFORMATION:

Public Meeting and Open House

We encourage you to attend the informational open house and public meeting to learn about, and comment on, the proposed deepwater port. You will have the opportunity to submit comments on the scope and significance of the issues related to the proposed deepwater port that should be addressed in the EIS.

Speaker registrations will be available at the door. Speakers at the public scoping meeting will be recognized in the following order: elected officials, public agencies, individuals or groups in the sign-up order and then anyone else who wishes to speak.

In order to allow everyone a chance to speak at a public meeting, we may limit speaker time, extend the meeting hours, or both. You must identify yourself, and any organization you represent by name. Your remarks will be recorded and/or transcribed for inclusion in the public docket.

You may submit written material at the public meeting, either in place of, or in

addition to, speaking. Written material should include your name and address and will be included in the public docket.

Public docket materials will be made available to the public on the Federal Docket Management Facility website (see ADDRESSES).

Our public meeting location is wheelchair-accessible and compliant with the Americans with Disabilities Act. If you plan to attend the open house or public meeting and need special assistance such as sign language interpretation, non-English language translator services or other reasonable accommodation, please notify the USCG or MARAD (see FOR FURTHER INFORMATION CONTACT) at least 5 business days in advance of the public meeting. Include your contact information as well as information about your specific needs.

Request for Comments

We request public comment on this proposal. The comments may relate to, but are not limited to, the environmental impact of the proposed action. All comments will be accepted. The public meeting is not the only opportunity you have to comment on the SPOT deepwater port license application. In addition to, or in place of, attending a meeting, you may submit comments directly to the Federal Docket Management Facility during the public comment period (see Dates). We will consider all comments and material received during the 30-day scoping period.

The license application, comments and associated documentation, as well as the draft and final EISs (when published), are available for viewing at the Federal Docket Management System (FDMS) website: <http://www.regulations.gov> under docket number MARAD-2019-0011.

Public comment submissions should include:

- Docket number MARAD-2019-0011.
- Your name and address.

Submit comments or material using only one of the following methods:

- Electronically (preferred for processing) to the Federal Docket Management System (FDMS) website: *<http://www.regulations.gov>* under docket number MARAD-2019-0011.
- By mail to the Federal Docket Management Facility (MARAD-2019-0011), U.S. Department of Transportation, West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590-0001.
- By personal delivery to the room and address listed above between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.
- By fax to the Federal Docket Management Facility at 202-493-2251.

Faxed, mailed or hand delivered submissions must be unbound, no larger than 8½ by 11 inches and suitable for copying and electronic scanning. The format of electronic submissions should also be no larger than 8½ by 11 inches. If you mail your submission and want to know when it reaches the Federal Docket Management Facility, please include a stamped, self-addressed postcard or envelope.

Regardless of the method used for submitting comments, all submissions will be posted, without change, to the FDMS website (<http://www.regulations.gov>) and will include any personal information you provide. Therefore, submitting this information to the docket makes it public. You may wish to read the Privacy and Use Notice that is

available on the FDMS website and the Department of Transportation Privacy Act Notice that appeared in the **Federal Register** on April 11, 2000 (65 FR 19477), see Privacy Act. You may view docket submissions at the Federal Docket Management Facility or electronically on the FDMS website.

Background

Information about deepwater ports, the statutes, and regulations governing their licensing, including the application review process, and the receipt of the current application for the proposed SPOT deepwater port appears in the SPOT Notice of Application, March 4, 2019 edition of the **Federal Register**. The “Summary of the Application” from that publication is reprinted below for your convenience.

Consideration of a deepwater port license application includes review of the proposed deepwater port’s impact on the natural and human environment. For the proposed deepwater port, USCG and MARAD are the co-lead Federal agencies for determining the scope of this review, and in this case, it has been determined that review must include preparation of an EIS. This NOI is required by 40 CFR § 1501.7. It briefly describes the proposed action, possible alternatives and our proposed scoping process. You can address any questions about the proposed action, the scoping process or the EIS to the USCG or MARAD project managers identified in this notice (see FOR FURTHER INFORMATION CONTACT).

Proposed Action and Alternatives

The proposed action requiring environmental review is the Federal licensing of the proposed deepwater port described in “Summary of the Application” below. The alternatives to licensing the proposed port are: (1) licensing with conditions (including

conditions designed to mitigate environmental impact), (2) evaluation of deepwater port and onshore site/pipeline route alternatives or (3) denying the application, which for purposes of environmental review is the “no-action” alternative.

Scoping Process

Public scoping is an early and open process for identifying and determining the scope of issues to be addressed in the EIS. Scoping begins with this notice, continues through the public comment period (see Dates), and ends when USCG and MARAD have completed the following actions:

- Invites the participation of Federal, state, and local agencies, any affected Indian tribe, the applicant, in this case SPOT, and other interested persons;
- Determines the actions, alternatives and impacts described in 40 CFR 1508.25;
- Identifies and eliminates from detailed study, those issues that are not significant or that have been covered elsewhere;
- Identifies other relevant permitting, environmental review and consultation requirements;
- Indicates the relationship between timing of the environmental review and other aspects of the application process; and
- At its discretion, exercises the options provided in 40 CFR 1501.7(b).

Once the scoping process is complete, USCG and MARAD will prepare a draft EIS. When complete, MARAD will publish a **Federal Register** notice announcing public availability of the Draft EIS. (If you want that notice to be sent to you, please contact the USCG or MARAD project manager identified in FOR FURTHER INFORMATION CONTACT). You will have an opportunity to review and comment on

the Draft EIS. The USCG, MARAD and other appropriate cooperating agencies will consider the received comments and then prepare the Final EIS. As with the Draft EIS, we will announce the availability of the Final EIS and give you an opportunity for review and comment. The Act requires a final public hearing to be held in the Adjacent Coastal State. Its purpose is to receive comments on matters related to whether or not an operating license should be issued. The final public hearing will be held after the Final EIS is made available for public review and comment.

Summary of the Application

SPOT is proposing to construct, own, and operate a deepwater port terminal in the Gulf of Mexico to export domestically produced crude oil. Use of the deepwater port would include the loading of various grades of crude oil at flow rates of up to 85,000 barrels per hour (bph). The SPOT deepwater port would allow for up to two (2) very large crude carriers (VLCCs) or other crude oil carriers to moor at single point mooring (SPM) buoys and connect with the deepwater port via floating connecting crude oil hoses and a floating vapor recovery hose. The maximum frequency of loading VLCCs or other crude oil carriers would be 2 million barrels per day, 365 days per year.

The overall project would consist of offshore and marine components as well as onshore components as described below.

The SPOT deepwater port offshore and marine components would consist of the following:

- One (1) fixed offshore platform with eight (8) piles in Galveston Area Outer Continental Shelf lease block 463, approximately 27.2 to 30.8 nautical miles off the coast of Brazoria County, Texas in a water depth of approximately 115 feet.

The fixed offshore platform would be comprised of four (4) decks including: a sump deck with shut-down valves and open drain sump; a cellar deck with pig launchers and receivers, generators, and three (3) vapor combustion units; a main deck with a lease automatic custody transfer (LACT) unit, oil displacement prover loop, living quarters, electrical and instrument building, and other ancillary equipment; and a laydown deck with a crane laydown area.

- Two (2) single point mooring buoys (SPMs), each having: two (2) 24-inch inside diameter crude oil underbuoy hoses interconnecting with the crude oil pipeline end manifold (PLEM); two (2) 24-inch inside diameter floating crude oil hoses connecting the moored VLCC or other crude oil carrier for loading to the SPM buoy; one (1) 24-inch inside diameter vapor recovery underbuoy hose interconnecting with the vapor recovery PLEM; and one (1) 24-inch inside diameter floating vapor recovery hose to connect to the moored VLCC or other crude oil carrier for loading. The floating hoses would be approximately 800 feet in length and rated for 300 psig (21-bar). Each floating hose would contain an additional 200 feet of 16-inch “tail hose” that is designed to be lifted and robust enough for hanging over the edge railing of the VLCC or other crude oil carrier. The underbuoy hoses would be approximately 160 feet in length and rated for 300 psig (21-bar).
- Four (4) PLEMS would provide the interconnection between the pipelines and the SPM buoys. Each SPM buoy would have two (2) PLEMs - one (1) PLEM for crude oil and one (1) PLEM for vapor recovery. Each crude oil loading PLEM would be supplied with crude oil by two (2) 30-inch outside diameter

pipelines, each approximately 0.66 nautical miles in length. Each vapor recovery PLEM would route recovered vapor from the VLCC or other crude oil carrier through the PLEM to the three (3) vapor combustion units located on the platform topside via two (2) 16-inch outside diameter vapor recovery pipelines, each approximately 0.66 nautical miles in length.

- Two (2) co-located 36-inch outside diameter, 40.8-nautical mile long crude oil pipelines would be constructed from the shoreline crossing in Brazoria County, Texas, to the SPOT deepwater port for crude oil delivery. These pipelines, in conjunction with 12.2 statute miles of new-build onshore pipelines (described below), would connect the onshore crude oil storage facility and pumping station (Oyster Creek Terminal) to the offshore SPOT deepwater port. The crude oil would be metered at the offshore platform. Pipelines would be bi-directional for the purposes of maintenance, pigging, changing crude oil grades, or evacuating the pipeline with water.

The SPOT deepwater port onshore storage and supply components would consist of the following:

- New equipment and piping at the existing Enterprise Crude Houston (ECHO) Terminal to provide interconnectivity with the crude oil supply network for the SPOT Project. This would include the installation of four (4) booster pumps, one (1) measurement skid, and four (4) crude oil pumps.
- An interconnection between the existing Rancho II pipeline and the proposed ECHO to Oyster Creek pipeline consisting of a physical connection as well as

ultrasonic measurement capability for pipeline volumetric balancing purposes.

- The proposed Oyster Creek Terminal located in Brazoria County, Texas, on approximately 140 acres of land consisting of seven (7) aboveground storage tanks, each with a total storage capacity of 685,000 barrels (600,000 barrels working storage capacity), for a total onshore storage capacity of approximately 4.8 million barrels (4.2 million barrels working storage) of crude oil. The Oyster Creek Terminal also would include: six (6) electric-driven mainline crude oil pumps; four (4) electric driven booster crude oil pumps - two (2) per pipeline to the SPOT deepwater port, working in parallel to move crude oil from the storage tanks through the measurement skids; two (2) crude oil pipeline pig launchers/receivers; one (1) crude oil pipeline pig receiver; two (2) measurement skids for measuring incoming crude oil - one (1) skid located at the incoming pipeline from the existing Enterprise Crude Houston (ECHO) Terminal, and one (1) skid installed and reserved for a future pipeline connection; two (2) measurement skids for measuring departing crude oil; three (3) vapor combustion units - two (2) permanent and one (1) portable; and ancillary facilities to include electrical substation, office, and warehouse buildings.
- Three onshore crude oil pipelines would be constructed onshore to support the SPOT deepwater port. These would include: one (1) 50.1 statute mile long 36-inch crude oil pipeline from the existing ECHO Terminal to the Oyster Creek Terminal. This pipeline would be located in Harris County and Brazoria County, Texas; two (2) 12.2 statute mile long, co-located 36-inch crude oil export pipelines from the Oyster Creek Terminal to the shore crossing where these

would join the above described subsea pipelines supplying the SPOT deepwater port. These pipelines would be located in Brazoria County, Texas.

Privacy Act

DOT posts comments, without edit, to www.regulations.gov, as described in the system of records notice, DOT/ALL-14 FDMS, accessible through www.dot.gov/privacy. To facilitate comment tracking and response, we encourage commenters to provide their name, or the name of their organization; however, submission of names is completely optional. Whether or not commenters identify themselves, all timely comments will be fully considered. If you wish to provide comments containing proprietary or confidential information, please contact the agency for alternate submission instructions.

(Authority: 49 CFR § 1.93).

Dated: March 4, 2019.

By Order of the Maritime Administrator.

T. Mitchell Hudson, Jr.

Secretary, Maritime Administration.

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